against forged documents. Adjudication proceedings have been initiated in five such cases.

(d) The Government keeos a constant vigil to keep a checkon the illegal activities of Jhe foreign exchange dealers.

Fraud in Dena Bank

2264. SHRI GHUFRAN AZAM:
SHRI KRISHNA KUMAR BIRLA:
SHRI O. P. KOHLI: ,
SHRI SUSHILKUMAR SAMBHAJIRAO , SHINDE:
SHRI RAJTUBHAJ. PARMAR:
SHRIMATI VEENA VERMA:

Will the M'nister of FINANCE be pleased to state:

(a) whether the CBI has unearthed a fraud in Dena Bank to the tune of Rs. 31 crore as reported in the Statesman and Hindustan Times dated 30th June, 1997; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Reserve Bank of India (RBI) has reported that a fraud involving Rs. 31.79 crores was reported by Dena Bank during the last week of June, 1997, at its Mumbai (Gulawadi) branch. The fraud came to light when the bank initiated stcs to reconcile huge difference in the balance with the central clearing department account at the Gulalwedi and the service branch. A group of companies had opened accounts both with Dana Bank's Gulalwadi brach as will as United Bank of India's Kalbadevi branch. Cheques *dtawn on the* acconts in the United Bank of India Trntbfld branch were deposited in their acconnts with Gulalwadi branch of Dena Bank. The parties were unauthorisedly ac commodated by Gulalwadi branch of Dena Bank by giving immediate cre dit to the account-holders and the in struments were sent for clearins: with delay which in some cases was 7—10 days. The parties were also favour ed unauthorisedly so as to have their cheques cleared tbrou.«eh the clear ing mechanism for high value clear ing branches although the Gulal wadi branch did not fall in the area of high value clearing branches. 49 cheques aggregating to Rs. 31.04 crores were afford'd credit in Novem ber-December, 1996 and the cheques were not sent for dealing thc-eby fraudulently siphoning off banks' funds. The branch copy of outward clefiring schedules was also mani pulated.

Two officers of the Gulalwadi branch of Dena Bank have been paced under snsnesin. The bank has initiated action to look into the role of other officers also. Central *Burean* of Invp'sfigation have also re-gisterred a regular case in this regard and have arrested two officials of the bank as well as one private person.

***Goverment share* holding *in* State Bank of India**

2265. SHRI V. HAKTTMAN-*TVT*\ PAO: Witt the M'nister of FINANCE be pleased to state:

(a) whather Government have di Interi Us share holding in State Bank of India;

(b) if so, the details thereof;

(c) how Government monitor the mpirtngement of the State Bank of India; , .

(A) whether it is a fact that com-nlaints and ripreintations oertain-incr to SBT are being ignored by Banking Department; and